

Scrutiny Management Board

Meeting to be held on Wednesday, 13 November 2024

Electoral Division affected:
(All Divisions);

Corporate Priorities:
Caring for the vulnerable;

Mental Health in the Construction Industry - Rapporteur Report

(Appendix 'A' refers)

Contact for further information:

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Brief Summary

A report on the activity, findings and suggested recommendations on the implementation of a scored component concerning mental health, on all construction tenders following an investigation carried out by County Councillor John Fillis on behalf of the Scrutiny Management Board.

Recommendation

The Scrutiny Management Board is asked to:

- (i) Note the findings and next steps.
- (ii) Support the following suggested recommendations proposed by County Councillor John Fillis in his capacity as rapporteur on Mental Health in the Construction Industry:

That the Cabinet Member for Resources, HR and Property (Deputy Leader) gives consideration to:

1. Amending existing questions within the Common Assessment Standard, used as evaluation criteria in tenders:
 - To reflect a requirement for contractors to signpost employees to substance abuse support services.
 - To reflect the requirement for contractors to make a commitment to initiatives equivalent to 'Building mental health in construction' and the 'Building Mental Health Charter'.



2. At an appropriate time, reviewing responses provided to identify and compile good practice and refine the list of questions in the Evaluation Criteria to work with the industry towards a national standard.
3. Carrying out a further review at an appropriate time, on how best to implement questions and processes on addiction including signposting to support services.
4. Establishing a process to ensure employment assistance programmes are reviewed through contract management activity to ensure accountability and assurance that requirements are being met in the submission.
5. Ensuring that sub-contractors are either signposted to support or can access the contractor's employee assistance programme.

Detail

Following the Scrutiny Management Board's meeting on Tuesday 23 July 2024, County Councillor John Fillis agreed to be appointed as rapporteur on behalf of the Board to carry out an investigation on implementing a scored component for mental health on all construction tenders, in line with the resolution of Full Council on 23 May 2024. (A rapporteur is someone appointed by a deliberative body to investigate a particular issue or situation and report back to it.)

On Thursday 3 October 2024, County Councillor Fillis met with Marie Demaine, Public Health Specialist – Health Improvement Team, Paul Fairclough, Head of Procurement and Contract Management, Lee Harrington, Public Health Specialist – Substance Use, and Gary Halsall, Senior Democratic Services Officer, to determine potential ways of introducing a scored component. A further meeting was then held on Friday 18 October 2024, to review proposed amendments to the Common Assessment Standard and to finalise suggested recommendations.

Findings

Supplier selection is a key stage in public procurement, where the county council must gather information on, and make assessments of, potential suppliers' technical and professional abilities, economic and financial standing and whether any of the exclusion grounds apply. From June 2024, Procurement Policy Note (PPN) 03/24 from the Cabinet Office mandated public sector bodies to use the Common Assessment Standard to pre-qualify their supply chains. Subsequently, the inclusion of occupational health issues, including mental health and fatigue was applied to specific questions in the county council's evaluation criteria, namely questions 77 and 79 from June 2024 onwards. Questions 77 and 79 therefore became the focus of this investigation. An extract from the evaluation criteria covering questions 77 and 79 is set out at appendix 'A'.



Question 79 – "Does your company have arrangements in place for the management of occupational health issues, including mental health and fatigue?"

This pass or fail scoring mechanism now requires contractors to have an employee assistance programme in place, demonstrate participation in a mental health at work initiatives and the implementation of mental health core standards in [Thriving at Work](#). It is felt this requirement provides a good starting point and an opportunity to enable the expansion of this criteria to address the request from Full Council. It is thought that responses provided by contractors could also help form good practice across the industry.

Some charities in the sector are in the process of establishing social charters, in particular the charity Mind has developed [five key steps to building a supportive culture around mental health in construction](#) which recommends construction businesses sign up to the [Building Mental health Charter](#) to demonstrate commitment. It is felt that the five key steps developed by Mind would provide a useful benchmark for contractors as well as providing a useful tool for procurement officers when evaluating responses to question 79.

In addition, it is suggested that the evaluation methodology should include a requirement for contractors to sign up to the Building Mental Health Charter and pledge their commitment to the principles set out in the Charter. These additional requirements could then assist the county council in not only holding contractors to account through contract management activity but ensure that they evidence the support in place before an award is made.

It is recognised that micro-businesses and sub-contractors won't necessarily have access to or provide employee assistance programmes. It is therefore recommended that the Cabinet Member gives consideration to ensuring that sub-contractors are either signposted to support or can access the contractor's employee assistance programme to help close this gap.

Question 77 - Does your company have a Drugs and Alcohol Policy?

Random drug and alcohol testing has been carried out for some time in the construction industry. However, it was noted that current guidance contained within the evaluation criteria under this question did not reflect a requirement for contractors to signpost employees to substance abuse support services. It is felt that this point should be incorporated into the evaluation criteria.

It is acknowledged that there are varying reasons as to why people trigger into addiction and reviewing these as part of this rapporteur investigation would not provide sufficient time and resource to serve the matter well. It is therefore recommended that the Cabinet Member considers reviewing how best to implement questions and processes on addiction including signposting to support services at an appropriate time.

Existing contracts

Consideration was given to formulating a recommendation on applying or exploring contract variations to meet any new potential requirements with existing relevant



contracts in place. However, it was felt there was a need to understand the impact any new requirements were having on the industry in Lancashire before undertaking such an exercise. Given that the new Procurement Act, which will reform existing Procurement Rules is due to go live on 24 February 2025, it was decided not to make a recommendation on this area at the present time.

Suggested recommendations

The Scrutiny Management Board is asked to support the following suggested recommendations proposed by County Councillor John Fillis in his capacity as rapporteur on Mental Health in the Construction Industry. Should the Board amend or propose any additional recommendations, then consideration must be given towards the reasons for this and linked back to the findings of this investigation.

That the Cabinet Member for Resources, HR and Property (Deputy Leader) gives consideration to:

1. Amending existing questions within the Common Assessment Standard, used as evaluation criteria in tenders:
 - To reflect a requirement for contractors to signpost employees to substance abuse support services as part of their internal policies.
 - To reflect the requirement for contractors to make a commitment to initiatives equivalent to 'Building mental health in construction' and the 'Building Mental Health Charter'.
2. At an appropriate time, reviewing responses provided to identify and compile good practice and refine the list of questions in the Evaluation Criteria to work with the industry towards a national standard.
3. Carrying out a further review at an appropriate time, on how best to implement questions and processes on addiction including signposting to support services.
4. Establishing a process to ensure employment assistance programmes are reviewed through contract management activity to ensure accountability and assurance that requirements are being met in the submission.
5. Ensuring that sub-contractors are either signposted to support or can access the contractor's employee assistance programme.

Next steps

Subject to the Board accepting the suggested recommendations above, the recommendations will be submitted to the Cabinet Member for Resources, HR and Property (Deputy Leader) for formal written response within two months of receipt. The response will be shared with the Board at the next scheduled meeting on Tuesday 4 February 2025.



Appendices

Appendix 'A' is attached to this report. For clarification it is summarised below and referenced at relevant points within this report.

Appendix	Title
Appendix 'A'	Extract of Evaluation Criteria – Q77+79

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Legal and Procurement

Recommendations are made for further consideration to be given to issues and this would need to include a full assessment of the legal and procurement implications and compliance.

Financial

Recommendations are made for further consideration to be given to issues and this would need to include a full assessment of the financial implications.

Risk management

Recommendations are made for further consideration to be given to issues and this would need to include a full assessment of the risk management implications.

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A

